

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

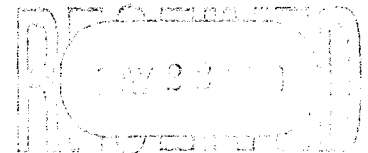
ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01629a
Coronado Estates Water Company
P.O. Box 2903
Sierra Vista AZ 856362903

ANNUAL REPORT

ARIZONA CORPORATION
COMMISSION



Direct Mailings

*Entered
5/22/03
C.M.*

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

<i>ANN 04</i>	<i>02</i>
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COMPANY INFORMATION

Company Name (Business Name) <u>Coronado Estates Water Co.</u>		
Mailing Address <u>P.O. Box 2903</u>		
<u>Sierra Vista</u> (City)	<u>Az</u> (State)	<u>85636 2903</u> (Zip)
<u>(520) 378-3349</u> Telephone No. (Include Area Code)	<u>(520) 378-6549</u> Fax No. (Include Area Code)	<u>(520) 940-3513</u> Pager/Cell No. (Include Area Code)
Email Address <u>wdbbs@c2i2.com</u>		
Local Office Mailing Address <u>Same</u> (Street)		
<u>Same</u> (City)	<u>Same</u> (State)	<u>Same</u> (Zip)
<u>Same</u> Local Office Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>Same</u> Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Johnny A. McLain</u> <u>Owner</u> (Name) (Title)		
<u>7110 S. Jaxel Rd.</u> (Street)	<u>Hereford</u> (City)	<u>Az</u> <u>85615</u> (State) (Zip)
<u>(520) 378-3349</u> Telephone No. (Include Area Code)	<u>(520) 378-6549</u> Fax No. (Include Area Code)	<u>(520) 940-3513</u> Pager/Cell No. (Include Area Code)
Email Address <u>wdbbs@c2i2.com</u>		
On Site Manager: <u>Same</u> (Name)		
<u>Same</u> (Street)	<u>Same</u> (City)	<u>Same</u> (State) (Zip)
<u>Same</u> Telephone No. (Include Area Code)	<u>Same</u> Fax No. (Include Area Code)	<u>Same</u> Pager/Cell No. (Include Area Code)
Email Address <u>Same</u>		

Statutory Agent: Johnny A McLain
 (Name)
7110 S. Jaxel Rd. Hereford Az 85615
 (Street) (City) (State) (Zip)
(520) 378-3349 (520) 578-6549 (520) 940-3513
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)
 Attorney: n/a
 (Name)
 (Street) (City) (State) (Zip)
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☒ Sole Proprietor (S) ☐ C Corporation (C) (Other than Association/Co-op)
☐ Partnership (P) ☐ Subchapter S Corporation (Z)
☐ Bankruptcy (B) ☐ Association/Co op (A)
☐ Receivership (R) ☐ Limited Liability Company
☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Coronado Estates Water Co.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	5000	0	0
302	Franchises	3100	0	0
303	Land and Land Rights	8000	8000	0
304	Structures and Improvements	18693	15904	2789
307	Wells and Springs	8275	7529	744
311	Pumping Equipment	44944	23378	21566
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	51398	46516	4882
331	Transmission and Distribution Mains	74547	50748	23799
333	Services	27500	21121	6379
334	Meters and Meter Installations	97275	33470	63805
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1665	1198	477
340	Office Furniture and Equipment	2704	1627	1077
341	Transportation Equipment	13643	11136	2507
343	Tools, Shop and Garage Equipment	645	591	54
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	800	300	440
346	Communication Equipment	1556	903	653
347	Miscellaneous Equipment	400	245	155
348	Other Tangible Plant	0	0	0
	TOTALS	360145	222716	129329

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME

Coronado Estates Water Co.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	5000	0	0
302	Franchises	3100	0	0
303	Land and Land Rights	8000	5%	400
304	Structures and Improvements	18693		934
307	Wells and Springs	8275		413
311	Pumping Equipment	44944		2247
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	51398		2569
331	Transmission and Distribution Mains	74547		3727
333	Services	27500		1375
334	Meters and Meter Installations	97275		4863
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1665		83
340	Office Furniture and Equipment	2704		135
341	Transportation Equipment	13643		682
343	Tools, Shop and Garage Equipment	645		32
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	800		40
346	Communication Equipment	1556		77
347	Miscellaneous Equipment	400		20
348	Other Tangible Plant	0	0	0
	TOTALS	360145		17597

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME

Coronado Estates Water Co.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 580	\$ 705
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	1980	1129
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2566	\$ 1934
	FIXED ASSETS		
101	Utility Plant in Service	\$ 360145	\$ 357445
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	205119	222716
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 155026	\$ 129329
	TOTAL ASSETS	\$ 157586	\$ 13163

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Coronado Estates Water Co.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 3120	\$ 4725
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	3460	2725
236	Accrued Taxes	est 90,000 (not paid)	EST 99,000 NOT PAID
237	Accrued Interest	0	10,000 EST
241	Miscellaneous Current and Accrued Liabilities	0	59438
	TOTAL CURRENT LIABILITIES	\$ 46580	\$ 181,938
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 96580	\$ 181,938
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	(61006)	(50775)
	TOTAL CAPITAL	\$ (61006)	\$ (50775)
	TOTAL LIABILITIES AND CAPITAL	\$ 157586	\$ 131,163

COMPANY NAME

Coronado Estates Water Co.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 56849	\$ 66,760
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 56849	\$ 66,760
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 570	\$ 500 (see 630)
610	Purchased Water	0	0
615	Purchased Power	4688	5200
618	Chemicals	300	300
620	Repairs and Maintenance	7175	7010
621	Office Supplies and Expense	(see 630)	see 630
630	Outside Services	25000	25000
635	Water Testing	2000	2000
641	Rents	2022	2022
650	Transportation Expenses	(see 630)	(see 630)
657	Insurance - General Liability	3537	4000
659	Insurance - Health and Life	1543	1543
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	750	800
403	Depreciation Expense	17602	17597
408	Taxes Other Than Income	0	0
408.11	Property Taxes	est 90000 (not paid)	est 5000 (14K) (see 630)
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 65187	\$ 70972
	OPERATING INCOME/(LOSS)	(\$ 8338)	(\$ 4712)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	(\$ 14,000 LTAX)
	NET INCOME/(LOSS)	\$ (8338)	(\$ 18712)

COMPANY NAME Coronado Estates Water Co.

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 2725

Meter Deposits Refunded During the Test Year \$ 1186

COMPANY NAME

Coronado Estates Water Co.

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
02-013						
807773	25/20	300	450	8	3"	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Sierra Sunset Water	100	0

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	1		
15	1	N/A	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
30,000	1	5000	1

COMPANY NAME Coronado Estates Water Co.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC	3500
3	AC	2366
4	AC PVC	34500
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	137
3/4	29
1	
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

NA

STRUCTURES:

OTHER:

TWO WELL SITES, ONE WELL, ONE STORAGE
TANK, ONE PRESSURE TANK, FENCING & MISC.

COMPANY NAME:

Coronado Estates Water Co.WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands) Σ
JANUARY	162	1029280	1439300
FEBRUARY	166	1145410	1149900
MARCH	170	1355230	1359800
APRIL	168	1120940	1123700
MAY	168	2361940	2367000
JUNE (over 1M)	168	2328680	2329975
JULY	168	2505420	2507890
AUGUST	166	2116330	2117000
SEPTEMBER	162	1539680	1540700
OCTOBER	162	1842670	1843100
NOVEMBER	164	1305340	1306175
DECEMBER	162	1341880	1342900
TOTAL		N/A	20,622,440

20592800 cm.

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☐ Yes☒ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 1.244 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Coronado Estates Water Co. YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ ~~0~~

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. NO TAXABLE INCOME

COMPANY NAME Coronado Estates Water Co.

YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability(18,712.)State Taxable Income Reported
Estimated or Actual State Tax Liability(18,712.)

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

0

Amount of Gross-Up Tax Collected

0

Total Grossed-Up Contributions/Advances

0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE12-30-02
DATEANTHONY A. McLEAN
PRINTED NAMEowner
TITLE

ARIZONA INTRASTATE GROSS OPERATING REVENUES ONLY
Form No. 1
12/1/01

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE _____

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Johnny A. McLain</u>
COMPANY NAME <u>Coronado Estates Water Co.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 66,259.

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3512
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

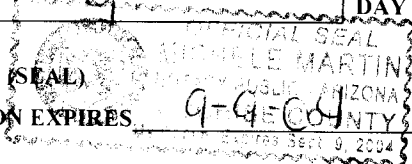
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

9 DAY OF

MY COMMISSION EXPIRES



SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

COUNTY NAME

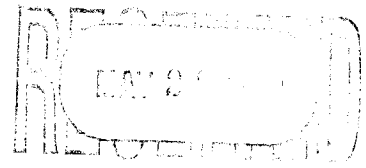
MONTH

2003

SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Cochise</u>	
NAME (OWNER OR OFFICIAL) <u>Johnny A. McLain</u>	TITLE <u>Owner</u>
COMPANY NAME <u>Coronado Estates Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>66,759.35</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3512.70
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Johnny A. McLain
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

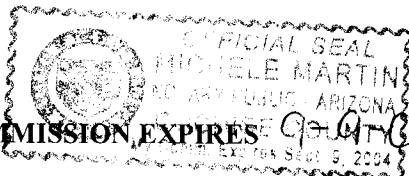
<u>9</u>

DAY OF

NOTARY PUBLIC NAME <u>Michele Martin</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>May</u>	20 <u>03</u>

(SEAL)

MY COMMISSION EXPIRES



X Michele Martin

SIGNATURE OF NOTARY PUBLIC